

**NEWS RELEASE****THE NATIONAL CONSUMER PRICE INDEX (BASE 2013=100): October 2020****Department of Census and Statistics****Ministry of Finance****TEL: 011-2147414****FAX: 011-2877945****E-mail: [prices@statistics.gov.lk](mailto:prices@statistics.gov.lk)**

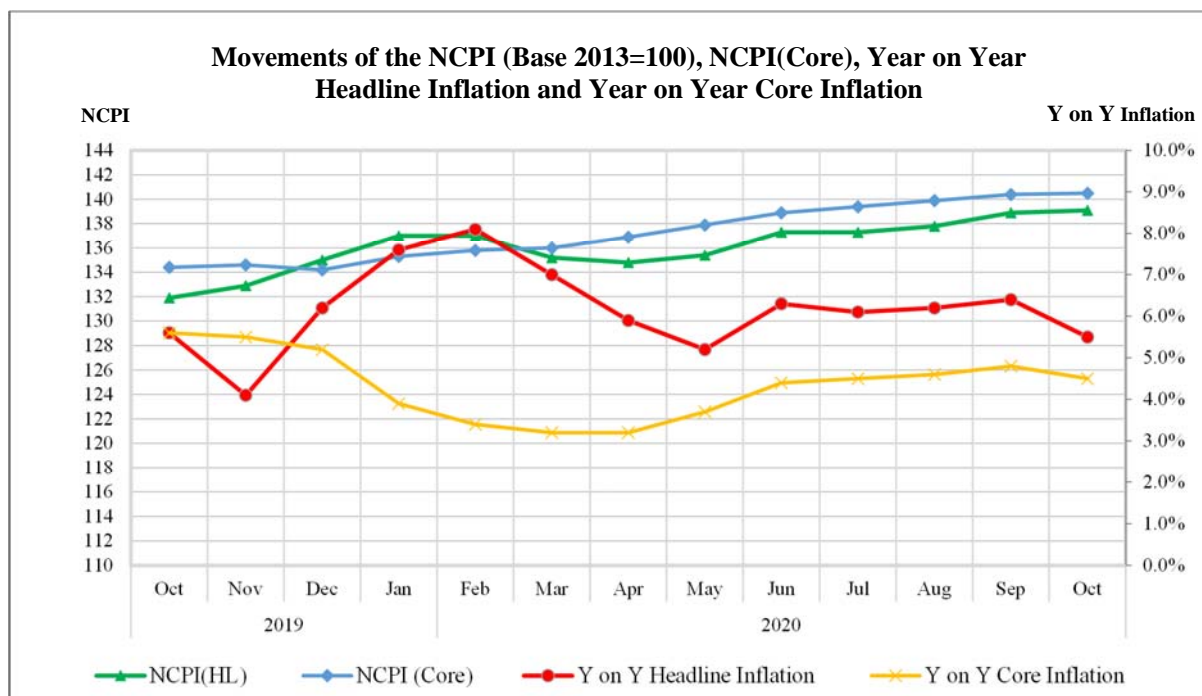
Issuing the National Consumer Price Index (NCPI), for the month of October 2020, the Director General of Census and Statistics said that headline inflation as measured by the Year-on-Year change (The percentage change in the current month NCPI over same month NCPI of last year) based on the NCPI has been compiled as 5.5%. The headline inflation reported for the month of September 2020 was 6.4%. Contributions to the inflation rate of October 2020 from food group and non-food group are 4.6% and 0.8% respectively. Whilst contributions of food and non-food groups to the inflation in October 2019 were 3.2% and 2.4% respectively, resulting in a headline inflation of 5.6%. With respect October 2019, the reported increase in percentage of food group was mainly due to higher price levels prevailed in this month of October 2020, particularly prices of coconuts, rice, turmeric powder, coconut oil and sugar.

Comparing the month-on-month changes, NCPI in October 2020 has increased to 139.1 from 138.9 reported in September 2020. This shows an increase of 0.2 index points or 0.1 percentage as compared to September 2020. The month-on-month change was contributed by increases of index values of food items by 0.14% and non-food items by 0.02% respectively.

Price increases of food items were reported for Big onions, Rice, Red onions, Coconuts, Mysour dhal, Green chilies, Dried chilies, Potatoes, Turmeric powder and Garlic. However, decreases in index values were reported for Fresh fruits, Fresh fish, Eggs, Vegetables, Chicken and Sugar.

The increases in index values of non-food groups in October 2020 compared to the previous month was due to the price increases in groups of items 'Housing, Water, Electricity, Gas and Other fuels' (*Materials for the maintenance*), 'Furnishing, Household equipment Routine household maintenance' and 'Miscellaneous Goods and Services'. However, price decrease in group of items was reported for 'Alcoholic Beverages, Tobacco & Narcotics' (*Arecanuts*), Further, very slight price increases were reported in groups of 'Clothing and Footwear', 'Recreation and Culture' and 'Restaurants and Hotels' compared to the preceding month. Meanwhile, the price indices of 'Health', 'Transport', 'Communication' and 'Education' groups remained unchanged during the month.

Core inflation, which reflects the underlying inflation by excluding volatile items of food, energy and transport groups in the economy as measured by the Year-on-Year change based on NCPI for the month of October 2020 has declined to 4.5% from 4.8% in September 2020.



**Movements of the NCPI (Base : 2013 = 100)**

| Year | Month     | Index Number |             | Month to Month % change of Index Number |             | Year on Year Inflation % |             |
|------|-----------|--------------|-------------|---|-------------|--------------------------|-------------|
|      |           | NCPI(HL)     | NCPI (Core) | NCPI(HL)                                | NCPI (Core) | NCPI(HL)                 | NCPI (Core) |
| 2019 | October   | 131.9        | 134.4       | 1.0                                     | 0.3         | 5.6                      | 5.6         |
|      | November  | 132.9        | 134.6       | 0.8                                     | 0.1         | 4.1                      | 5.5         |
|      | December  | 135.0        | 134.2       | 1.6                                     | -0.3        | 6.2                      | 5.2         |
| 2020 | January   | 137.0        | 135.3       | 1.5                                     | 0.8         | 7.6                      | 3.9         |
|      | February  | 137.0        | 135.8       | 0.0                                     | 0.4         | 8.1                      | 3.4         |
|      | March     | 135.2        | 136.0       | -1.3                                    | 0.1         | 7.0                      | 3.2         |
|      | April     | 134.8        | 136.9       | -0.3                                    | 0.7         | 5.9                      | 3.2         |
|      | May       | 135.4        | 137.9       | 0.4                                     | 0.7         | 5.2                      | 3.7         |
|      | June      | 137.3        | 138.9       | 1.4                                     | 0.7         | 6.3                      | 4.4         |
|      | July      | 137.3        | 139.4       | 0.0                                     | 0.4         | 6.1                      | 4.5         |
|      | August    | 137.8        | 139.9       | 0.4                                     | 0.4         | 6.2                      | 4.6         |
|      | September | 138.9        | 140.4       | 0.8                                     | 0.4         | 6.4                      | 4.8         |
|      | October   | 139.1        | 140.5       | 0.1                                     | 0.1         | 5.5                      | 4.5         |